

Revenue Proposal	Status/Action
Sales and Use Tax: Increase sales tax rate by ½ cent, from 8.75% to 9.25% for general revenue purposes. \$103 million. Approval: <u>six</u> Councilmembers and 50%+1 voters.	Ready for public discussion.
Business Tax Increase: Restore 1993 rates of \$125 plus \$5 per employee for general revenue purposes. \$8.3 million. Approval : 5 Councilmembers and 50%+1 voters.	Ready for discussion. (IBA validating revenue assumption.)
Residential Trash Collection Fee: Adopt trash collection fees based on container size. Fee for trash pickup varies based on container size. No fees for recycling and green waste. \$34 million. Approval: revocation or modification of Peoples Ordinance; COSS: Council approval 5 votes, subject to majority of residents/users protest.	Ready for public discussion.
Utility Users Tax: Create UUT for electricity, gas, telephone, telephone internet, water, sewer, cable television, and cable internet for general revenue purposes. \$92 million. ¹ Approval: 5 Councilmembers and 50%+1 voters.	Rate model required to estimate revenue. IBA modeling possible rates at Commission's request.
Utility Users Tax (Version B): Create UUT for electricity, gas, water, and sewer for general revenue purposes. Unknown revenue. Approval: 5 Councilmembers and 50%+1 voters.	Rate model required to estimate revenue. IBA investigating possible rate models at Commission's request.
Commercial Parking Tax: Create 10% tax on commercial parking facilities for general revenue purposes. \$31 million ¹ . Approval 5: Councilmembers and 50%+1 voters	Administration and IBA support required to estimate spaces and utilization = estimated revenue. Information also being sought from private sources.
Business Tax Reform (Version B): Create new business tax based on annual business income for general revenue purposes. \$13.6 million. ² Approval: 5 Councilmembers and 50%+1 voters.	Rate model required to estimate revenue and business impacts. IBA seeking information from state sources to enable modeling of rates.
Beach Parking Lots Fee: Beach parking lots recover related parking, traffic control, street and beach maintenance costs. \$2.8 million NOI ³ . Approval: requires COSS: Council approval 5 votes, subject to majority of residents/users protest. If lot concession/s awarded, may be subject to Managed Competition rules.	Needs discussion and drafting by City Attorney. IBA assistance needed to validate Ace Parking study.
Mission Bay Park & Recreation Parking Fees: Mission Bay Park parking lots recover related parking, traffic control, street and bay maintenance cost \$5.2 million NOI ³ . Approval: requires COSS: Council approval 5 votes, subject to majority of residents/users protest. If privatized, may be subject to Managed Competition rules.	Needs discussion and drafting by City Attorney. IBA assistance needed to validate Ace Parking study.

¹ Rough projection based on extrapolation from other cities on per capita basis.

² Based on tripling current revenue, maintains SD as lowest business taxes of comparable California cities.

³ Based on 2006 Ace Parking estimates.

<p>Fire Alarm Permit and Revocation Fee: Adopt escalating schedule of false fire alarm fees. \$3 million.⁴ Approval: requires COSS: Council approval 5 votes, subject to majority of residents/users protest.</p>	<p>COSS⁵ underway now by Fire Department. May not be ready until late 2010.</p>
<p>Corporate Sponsorships: Pilot program for advertising and kiosks pilot program on City property conducted by marketing firm. Approval: Adopt Sign Ordinance exception; Council = 5 votes.</p>	<p>Pending presentation by Councilmember DeMaio.</p>
<p>Sale or lease of Rights to Operate City Properties: Rights to operate and charge fees for use of City airports, golf courses, and waste landfill might be contracted to a private party in return for one-time or ongoing payments to the City. Generates unknown amount of revenue. Mechanisms for enabling transfer of rights and payments would require approval of the City Council. If privatized, may be subject to Managed Competition rules.</p>	<p>Pending presentation/s from Mayor's office on revenue implications. Proposal needs discussion and drafting by City Attorney.</p>

As of 6/27/2010

⁴ Fire estimate based on existing false burglar alarm costs and revocation fee estimates, which may be sharply different.

⁵ COSS: Cost of Service Study. A required action for establishing fees to assure they cover no more than the actual taxpayer cost for that service.